

CENTRAL INTELLIGENCE AGENCY
WASHINGTON, D.C. 20505

FEB 1980

Mr. Richard P. Brengel
Chief, Incentive Awards Branch
Office of Personnel Management
1900 E Street, N.W., Room 6H-34
Washington, D.C. 20415

Dear Mr. Brengel:

Thank you for your memorandum of 16 January 1980, regarding Presidential Management Improvement Award Nominations.

As you know, we face unusual problems in providing sufficient unclassified descriptions of suggestions or achievement cases to demonstrate the total value realized by the Government. Our initial review of awardees who received Presidential Recognition Letters during Fiscal Year 1979 did not identify a likely candidate whose accomplishments could be publicly acknowledged.

In view of your recent letter, we are again reviewing potential candidates and you will be advised as soon as possible of the results.

Sincerely,

Harry E. Fitzwater

Harry E. Fitzwater
Director of Personnel
Policy, Planning, and Management

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STATUTORY PersPP&M (12 Feb 1980)

Office of
Personnel Management

United States Government
MEMORANDUM

Subject: Presidential Management Improvement Award Nominations

Date: JAN 16 1980
In Reply Refer To:

From: Richard P. Brengel, Chief
Incentive Awards Branch

Your Reference:

To: Harry E. Fitzwater
Director of Personnel
Central Intelligence Agency

Recently, we inquired whether your organization would have nominations for the 1979 Presidential Management Improvement Awards competition and were disappointed to learn that you would likely not have a nominee.

Because this program of Presidential awards seeks to recognize persons at all levels of Government who have made outstanding contributions, I would urge that you consider those individuals in your agency who could be nominated. All of the individuals who have received Presidential letters of commendation during the past fiscal year are eligible. (Our records show that approximately 20 employees of your agency received such recognition.) The criteria for these awards and the citations of the recent winners are attached for your information. We believe that participation from every agency is most important so that selections can be made from the richest possible field of candidates.

Your cooperation in reviewing this matter will be greatly appreciated. We will be pleased to work with you or your staff concerning submission of nominations, providing an extension to the deadline, as needed.

Attachments

Subchapter 3: Recognition

found in the type of position concerned and should contain a certification that on the basis of past experience the employee's high quality performance is likely to continue. Therefore, the granting of a quality increase and the assigning of an outstanding rating are two separate actions, and an employee may meet the criteria for a quality increase, but not for an outstanding rating. A quality increase is not automatically granted when an outstanding rating is assigned; however, because an employee who receives an outstanding rating has met a higher criterion in total performance than is required for a quality increase, it is important for the employee's supervisor to consider the appropriateness of granting a quality increase when an outstanding rating is given. (Programs must, of course, operate within the requirement that quality increases may only be granted within the limit of available appropriations.)

(10) *Documenting cash recognition for superior job performance.* Recommendations for both quality increases and special achievement awards for sustained superior performance should specifically indicate the standards of performance for the position concerned and the manner in which the nominee's performance exceeded these standards in one or more, or all, of the most important job elements. Additionally, the recommendation should state specifically how the employee's performance increased productivity or improved economy, efficiency, or effectiveness of Government operations, citing tangible benefits whenever possible.

c. *Effect on pay.* A cash award . . . is in addition to the regular pay of the recipient The acceptance of a cash award . . . constitutes an agreement that the use by the Government of a contribution, idea, method or device for which an incentive award is made does not form the basis of a further claim of any nature against the Government by the employee, his/her heirs, or his/her assigns. (5 CFR 451.303) Cash granted as incentive awards is considered to be salary for Federal, State, and local income tax purposes. Deductions for withholding tax must therefore

be made from each cash award. The amount of the award *may not* be adjusted upward by a sum sufficient to cover the withholding tax. This tax *must be deducted* from the amount of the award. A cash award is not subject to retirement deductions, nor does it affect the computation of salary differentials.

3-4. NONCASH AWARDS

An employee contribution which does not meet the standard for a cash award may be recognized by a letter of appreciation, commendation, a certificate, or other appropriate means.

3-5. HONORARY AWARDS

When appropriate, . . . an agency may grant an honorary award for a contribution. (5 CFR 451.304) Honorary awards are designed to bestow singular honor as an official recognition of achievement and as an incentive to further accomplishment. An honorary award may be granted in addition to a cash award. (5 CFR 451.304) For example, an honorary award is particularly appropriate in recognition of continued distinguished service, a singular achievement, or an act of personal heroism. It may be granted independently of or as a supplement to a cash award; it is not intended, however, to serve as a substitute for deserved monetary awards.

3-6. PRESIDENTIAL RECOGNITION

a. *The President may pay a cash award to, and incur necessary expense for the honorary recognition of, an employee who (1) by his suggestion, invention, superior accomplishment, or other personal effort contributes to the efficiency, economy, or other improvement of Government operations; or (2) performs an exceptionally meritorious special act or service in the public interest in connection with or related to his official employment. A Presidential award may be in addition to an agency award under section 4503 of this title.* (5 U.S.C. 4504)

b. *President's Award for Distinguished Federal Civilian Service.* This is the highest award

granted under the Federal Incentive Awards Program. The award consists of a gold medal suspended from a neck ribbon, a lapel rosette, and a citation. It is granted on a limited basis to persons in the career service whose outstanding achievements have current impact on improved government or the public interest, and which exemplify, to an exceptional degree, imagination, courage, and high ability in carrying out the mission of the Government. The heads of Federal departments and agencies nominate persons in the career service in response to a call for nominations →from the Director, Office of Personnel Management. ← The award is approved and presented by the President. (See Executive Order 10717 as amended by Executive Orders 10979, 11085, and →12014.)←

c. Presidential Recognition Program. Major achievements by civilian and military personnel which improve Government operations or the delivery of services to the public will be considered for personal letters of commendation from the President. Those of special significance will be considered annually for Presidential Management Improvement Awards in the form of a plaque or a certificate.

(1) *Personal Letters of Commendation from the President.*

(a) *Eligibility and Criteria.* Civilian and military personnel whose contributions (suggestions, inventions, or special achievements) are beyond job requirements and result in first year measurable benefits of \$5,000 or higher; or represent exceptional management improvement contributions of equal benefit to the Government in areas that have high Presidential interest and concern are eligible for nomination.

Such contributions also should be of such importance to the agency and the Government that they warrant Presidential letters of commendation. Nominations may be for an individual, a small working group, or for a team achievement.

All contributions must have received prior recognition in the form of monetary or honorary awards within the department or agency *except that* performance contributions by military personnel which otherwise meet the criteria for

Presidential letters but which are not eligible for department or agency awards under the provisions of Title 10, Chapter 57, may be nominated.

(b) *Procedure for Submission of Nominations.* (See format appendix A-6.) Recommendations for Presidential letters must be submitted, as soon as possible after internal recognition has been approved, through department and agency Incentive Awards Program channels.

(1) Department and agency nominations must be signed by the head of the department or agency and must (1) certify either the measurable benefits to the Government, or the special significance of the contribution within the area of Presidential interest and (2) state the type of recognition granted by the agency, and the amount if recognition was in the form of cash.

(2) If a nominee previously has received one or more Presidential letter(s) under the provisions of this program, the recommendation should state when such recognition was granted.

(3) Envelopes must be marked clearly ATTENTION: PRESIDENTIAL RECOGNITION PROGRAM for ready identification to assure prompt processing of nominations.

(c) *Presentation of Presidential Letters.* (1) Presidential letters of commendation should be presented by department or agency officials as soon as appropriate arrangements can be made after receipt from the White House. The ceremony should be in keeping with the dignity and importance of the recognition.

(2) *Presidential Management Improvement Awards.*

(a) *Eligibility and Nomination.* At the end of each fiscal year, departments and agencies shall review contributions made by their personnel, that have been recognized by a Presidential letter of commendation during the fiscal year, and recommend for Presidential Management Improvement Awards those which they believe merit this prestigious recognition. (See format Appendix A-7). Nominations must be signed by the department or agency head and must be received by the Director, Office of

Personnel Management, *not later than January 10 annually*, in order to be considered.

(b) *Selection.* The Office of Management and Budget and the Office of Personnel Management will review nominations and recommend to the President those which are considered to merit Presidential Management Improvement Awards.

(c) *Presentation of Presidential Management Improvement Awards.* Presidential Management Improvement plaques normally are presented by the President in a ceremony at the White House. Certificates are forwarded to departments and agencies for presentation at agency level.

(3) *Publicizing Achievements.* This program of Presidential recognition shall be fully used by departments and agencies in carrying out their responsibilities for stimulating employee participation in improving Government operations as required by regulation (5 CFR 451-203). The program should receive the highest visibility and attention. All available media should be used to publicize the achievements of those recognized by the President and thus generate additional participation. Success in these efforts will help directly support the goal of achieving improvements in the entire range of Government operations and the delivery of services to the public.

3-7. INTERAGENCY AWARDS—EMPLOYING AGENCY

When the head of the employing agency approves a contribution that may also benefit other agencies, he or she may grant an *initial award* based on the benefit to the employing agency. An additional award may be granted subsequently, based on benefits which may accrue to other agencies.

3-8. REFERRAL OF EMPLOYEE CONTRIBUTIONS TO OTHER AGENCIES

a. *Referrals to other agencies.* *The head of each agency in which a contribution originates shall establish a procedure that requires that the contribution be referred to other agencies which*

may benefit from it. The referral to other agencies shall be made only after consideration of applicability of the contribution in the originating agency. (5 CFR 451.308)

(1) When responsibility for decision on an employee contribution clearly rests with only one other agency, the contribution is referred by the headquarters of the originating agency directly to the other agency.

(a) When a contribution is forwarded to another agency for evaluation because that agency has the sole authority for decision, an evaluation of the contribution must accompany the file, including an explanation of benefits to the employing agency wherever possible.

(2) When responsibility for decision on a contribution does not clearly rest only with one agency, the contribution is forwarded to the Office of Incentive Systems, OPM for appropriate referral. Specific information about the activities in other agencies where it is believed the employee contribution can be used must accompany the incentive awards file, as well as an evaluation of the contribution, including benefits to the employing agency, wherever possible.

3-9. BENEFITTING AGENCIES OTHER THAN THE EMPLOYING AGENCY

a. *Awards by benefiting agencies other than the employing agency.* When the head of an agency approves an employee contribution which originated in another agency he must report the fact to the office which referred the contribution (the OPM or the originating agency) at the earliest practicable date, and in no event later than six months after it was referred, except on prior approval of the Office of Incentive Systems. The report of the head of the adopting agency must state the estimated first year net tangible benefits, if any, and the intangible benefits, if any, and the award that will be granted under agency regulations. However, when one or more other agencies will benefit significantly from the employee contribution so that they should

provide a portion of the award, the case is referred to the Office of Incentive Systems after adoption with recommendations for additional award consideration.

(1) *When the head of an agency approves a contribution referred by another agency, he shall arrange with the originating agency for transfer of funds necessary to pay the incentive award.* (5 CFR 451.309(e)(1))

(2) *When more than one agency benefits from a contribution, the OPM . . . Office of Incentive Systems . . . shall determine the total interagency first year net measurable benefits, and the total intangible benefits, and recommend to the appropriate benefiting agencies, their proportionate share of the award.* (5 CFR 451.309(e)(2))

(3) *Within thirty days after receipt of the recommendation referred to in subparagraph (2) . . . each benefiting agency shall notify the office . . . Office of Incentive Systems, . . . in writing, of its action on the recommendation.* (5 CFR 451.309(e)(3))

(4) When an interagency contribution is adopted and only a small award is involved, it is desirable to minimize the time and paperwork of transferring small amounts of money for payment of the award. Consequently, the originating agency is encouraged to pay the award in any case where it can be construed as benefiting from the contribution. This practice is recommended wherever the award is not in excess of \$200.

3-10. PAYMENT OF AWARDS

Awards to employees and expenses for the honorary recognition of employees may be paid from the funds or appropriations available to the activity primarily benefiting or may be paid from the several funds or appropriations if the various activities benefiting as may be determined by the head of the agency concerned, or by the OPM under delegated authority for the expenses of Presidential awards.

3-11. RECOGNITION FOR CAREER SERVICE

The OPM urges agencies to establish programs to recognize significant milestones in

their employees' careers. Agencies are encouraged to give employees credit for total Federal service, including civilian and all honorable military service, when computing eligibility for career service recognition. Career service recognition may be considered upon completion of ten years of service, at each successive five-year milestone, and upon retirement. Career service emblems should be presented with appropriate ceremony. While the type of ceremony necessarily varies among agencies and under different circumstances, generally, emblems recognizing 25 years of service and over should be presented by top officials of the agency.

3-12. AWARDS FOR ACHIEVEMENTS IN EQUAL EMPLOYMENT OPPORTUNITY

The OPM urges that agencies' incentive awards programs provide for recognizing supervisors, employees, and units which have made significant achievements toward fostering equal employment opportunity in the Federal service. Award recipients should be those who have achieved outstanding results through unusually effective leadership, skill, imagination, innovation, and perseverance in extending equal opportunity in Government activities. For additional information on eligibility, criteria, administration, type of award to be granted, etc., see FPM chapter 713, subchapter 5.

3-13. AWARDS FOR ACHIEVEMENTS IN OCCUPATIONAL SAFETY AND HEALTH

The OPM encourages agencies to use their incentive awards programs to grant honorary as well as cash awards, where appropriate, to recognize employees or groups who make outstanding contributions to occupational safety and health within the Federal Government. Award recipients should be those who have achieved outstanding results through unusually effective leadership, skill, imagination, and innovation in promoting occupational safety and health.

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 Appendix A-7 SAMPLE FORMAT FOR NOMINATIONS FOR THE
 PRESIDENTIAL MANAGEMENT IMPROVEMENT AWARD

Nomination for (Year) Presidential Management Improvement Award
 (Submit in Triplicate)

Name: _____ Organization: _____
 Position Title: _____ Location: _____
 Rank or Grade: _____ Agency: _____

1. Narrative justification including:

- o area(s) of achievement upon which nomination is based
- o scope and importance of mission, function, service, or activity affected
- o extent of ingenuity, innovation, or dedication demonstrating initiatives beyond job responsibilities
- o results achieved, including benefits to the Government and impact on the organization. (If tangible benefits result, specific, documented, dollar amounts should be stated.)

Previous Awards Received by Nominee(s): (include those granted by the department or agency as a result of this contribution.)

2. Citation: A two paragraph citation, not to exceed 80 words in total, describing the contribution, its' benefit to the Government and impact on the organization.

Contributions made by personnel of (Agency Name), which received Presidential letters of recognition during fiscal year ___, have been reviewed and it has been determined that this contribution merits nomination for the Presidential Management Improvement Award. I am pleased to forward this nomination for consideration.

 Department or Agency Head

 Date

Name and telephone number of official to be contacted for further details on this nomination:

Nominations should be submitted to: Director, Office of Personnel Management
 1900 E Street, NW,
 Washington, D.C. 20415

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 If group nomination, name of individual who led group effort.

A-6. SAMPLE FORMAT FOR REQUESTING PRESIDENTIAL LETTERS
OF COMMENDATION

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Presidential Recognition Program

I request that a Presidential letter of commendation be granted to the following member(s) of this organization:

name(s): first, middle initial, surname (for civilian personnel, indicate whether Mr., Miss, or Mrs.)
title: civilian position, title or military rank
organization
location; city and state or APO

Provide a brief description of the employee contribution: (1) citing the first year measurable benefits (if any) or the impact of the achievement within the areas of high Presidential interest and concern. (2) Indicate the type of recognition granted by the agency, including the amount of cash award, if any. (3) If it is a group or team achievement, indicate the name of the leader. (4) If a nominee previously has received Presidential letters under this program, please indicate when such recognition was granted.

(signature and title of department
or agency head)

Attachment(s) (backup material)

NOTE: The envelope should be addressed as follows:

The President
The White House
Washington, D.C. 20500
Attention: Presidential Recognition Program

THE WHITE HOUSE

MEMORANDUM FOR THE HEADS OF DEPARTMENTS AND AGENCIES

SUBJECT: Presidential Recognition Program

I am pleased to announce that ten individuals and one group have been selected to receive 1978 Presidential Management Improvement Awards. The names of the recipients are listed on the enclosure. Collectively, their achievements have saved the Government more than \$50.5 million and have contributed significantly to advancements in science and technology, improving our national security, and providing better services to the public.

The winners were selected from a field of some 2,900 outstanding candidates. Since this program began two years ago, more than 4,200 employees and military members have been recognized for contributions which have saved the Government more than \$479 million.

These gratifying results demonstrate my belief that Federal personnel are willing and able to contribute significantly to improving Government operations and services. Those serving in management positions can help provide the necessary motivation and incentive by listening to employee ideas and giving prompt recognition to exceptional performance.

I urge each of you to use our various awards programs to bring out the best in those who serve with you. So that I can continue to add my personal congratulations and thanks, I ask that you continue to provide me with the names of persons within your organization who contribute significantly to increasing productivity, improving services, conserving energy and other vital resources, eliminating paperwork, and developing and applying new and existing technology.

JIMMY CARTER

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FOR IMMEDIATE RELEASE

JANUARY 4, 1980

Office of the White House Press Secretary

THE WHITE HOUSE

The President today announced that ten individuals and one group have been selected to receive 1978 Presidential Management Improvement Awards.

The Presidential Management Improvement Awards were established in 1970 to provide high-level honorary recognition to individuals, small working groups, or teams who have made contributions which represent exceptional management improvement.

The recipients are:

Harmon H. Adams, a social worker with the Veterans Administration Medical Center in Decatur, Georgia, who proposed that patients in VA-contract nursing homes not be re-admitted to VA Hospitals for medical evaluation to determine whether they may enter the Home Cure program. This eliminates the average five-day hospital stay, which has already saved \$172,500, and speeds the return of patients to their home environment.

James Campbell, an Army storage manager at Ft. Carson, Colorado, who suggested changes in the way munitions were issued, used, and disposed of at Fort Carson which have reduced the loss of ammunition, maximized its return to a useable state, and provided training to troops in all aspects of technical ammunition handling and use. The new procedures have already saved \$3,261,000, and are expected to be implemented at many other installations, resulting in even more savings.

TSGt Spencer T. Hayes, an electronics mechanic with the Alabama Air National Guard in Dothan, Alabama, who, on his own initiative, developed and perfected a needed automatic radar tracking capability for the tactical air control system that enabled the Air Force to cancel a planned procurement program, a saving of \$13 million.

John W. Kiker, chief of the Mechanisms Branch, Spacecraft Design Division at NASA Johnson Space Center in Houston, Texas, who, on his own initiative, developed a proposal and then convinced NASA authorities that a modified Boeing 747 could be used as a ferry aircraft and airborne launch platform for the Space Shuttle. This alternative to designing engines that could be used to test fly the 75-ton Space Shuttle Orbiter proved successful in 13 flights which verified all spacecraft flight worthiness as well as crew procedures, saving \$30 million.

Helen A. Lewis and Patricia A. Martens, inventory management specialists for the Department of the Army in Warren, Michigan, who suggested that M48A1 tanks to be shipped to the Republic of Korea be inspected in Barstow, California, since the terms of the agreement with Korea made it unnecessary to ship the tanks from Barstow to Anniston, Alabama, for rebuilding, as was normally done. This resulted in a saving of \$1,495,870 in transportation cost.

Arthur E. Martin and Barnett W. McConnell, chief and deputy chief of the Engineering Service, Department of Medicine and Surgery, at the VA Medical Center in Nashville, Tennessee, who suggested that heated or cooled air being exhausted be reused to warm or cool the new supply of air in the Nashville VA Medical Center. This concept has been approved as suitable for three additional VA medical centers. It has saved \$484,000.

- 2 -

Marion E. Meadows, veterinarian-in-charge at the USDA Animal and Plant Health Inspection Service in Mission, Texas, where he has run a program largely responsible for the successful eradication of screwworm infestations in the United States.

Jeffrey L. Verburg, sonar technician first class with the Navy's Fleet Anti-Submarine Warfare Training Center in San Diego, who conceived and developed a tactical towed-array sensor (an anti-submarine sonar device) which provides the Navy Fleet with an anti-submarine warfare capability seven years earlier than had been anticipated.

Houston Employee Plans Group at the Internal Revenue Service in Houston, Texas, a group of 12 individuals who developed a procedure for handling inquiries under the Employee Retirement Income Security Act in a faster, more efficient manner that saved over \$1 million annually and received favorable public reaction.

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(For further information on these awards, contact the Office of Personnel Management - 632-4588.)

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